

**Office of Energy Independence and  
Wisconsin Department of Agriculture, Trade and Consumer Protection**



***Your monthly source for news on the growing bio economy***  
**June 2007**

-----  
*Here at Home*  
-----

**Two Dairy Farms and an Ethanol Plant**

A couple of dairy farms and an ethanol plant were honored by Wisconsin Governor Jim Doyle, receiving the Governor's Export Achievement Award for 2007. The award recognizes firms and organizations achieving extraordinary results in international sales and helping move Wisconsin forward in the global marketplace. Governor Doyle recognized Ever-Green View Farms of Waldo, [Indianhead Holsteins](#) of Barron and [Badger State Ethanol](#) of Monroe at the 42nd annual Wisconsin International Trade Conference in Milwaukee.

**The "Silicon Valley of the Midwest"**

Rep. Ron Kind spoke of a bright future for rural Wisconsin as reliance on biofuels from renewable energy grows across America, in remarks he made at the Future of Farming conference in Madison last month. "If we do this right, the upper Midwest could be the Silicon Valley of biofuels," he said.

**Fill 'Er Up With Hydrogen**

A subsidiary of Shell Oil wants to use Madison-based Virent Energy Systems' technology to create hydrogen fueling stations. A network of hydrogen stations akin to traditional gas stations will be needed if the world is to move to hydrogen cars. A major hurdle in developing stations is that hydrogen is very difficult to transport and store, but Virent's "BioForming" technology that converts biomass into hydrogen -- as well other fuels and chemicals -- offers a way around that issue.

**DeForest Biodiesel Goes Progressive**

One month after firing up their new equipment to make a test batch of biodiesel, Wisconsin's first biodiesel production plant has shipped its first large-scale load of fuel. Sanimax Energy in DeForest delivered a shipment of biodiesel to Progressive Farmers Cooperative in Northeast Wisconsin.

**Biofuel How-to**

Do you want to learn how to make and use biofuels? If so, the Wisconsin Farmers Union, along with Madison Area Technical College, Great Lakes BioFuels, the Wisconsin Technical College System and the Consortium for Education in Renewable Energy Technology invite you to their "Sustainable Biofuels and Local Climate Change Solutions" workshop on June 26 at MATC's Truax Campus in Madison. This collaborative seminar is designed to educate grain and livestock farmers, agriculture professionals, government officials and policy makers, educators and biofuels enthusiasts about how to make and use biofuels.

**Focus on Energy Savings**

With the help of Focus on Energy's Agricultural and Rural Business Program, part of Wisconsin's energy efficiency and renewable energy initiative, Wisconsin businesses can substantially reduce their energy use and costs. [Roecker's Rolling Acres](#), LLC, a Loganville-based dairy farm, received the Award for Excellence in Energy Efficiency given by Focus on Energy for the implementation of innovative energy efficiency projects within its business.

### **President Bush Makes CAFÉ Order**

President Bush took another big step last month toward dramatically increasing the Renewable Fuels Standard (RFS), ordering his administration to begin the rule-making process to increase the minimum gas mileage cars must get, also known as Corporate Average Fuel Economy (CAFÉ) standards. The goal is to implement a 36 billion gallon RFS by 2017. But the Bush administration's power to make the latter happen is limited. President Bush can change CAFÉ standards through an executive order. But nearly quintupling the RFS will require congressional action.

### **Subsidy Switch(grass)**

Faced with the tight federal budget, the chairman of the Senate Agriculture Committee is looking at trimming crop subsidies to fund development of next-generation biofuels. Sen. Tom Harkin (D-IA) said that promoting the production of ethanol from cellulosic feedstocks such as switchgrass should be considered a way of subsidizing commodity production. Sen. Harkin wants to create a network of demonstration farms where the production of switchgrass would be studied. He also is considering special payments to encourage farmers to grow biofuel crops.

### **Polyunsaturated Ethanol Growth**

The market for ethanol in the U.S. is not nearly saturated and growth in the industry will continue for at least the next few years, demanding more corn to produce the fuel, according to USDA's Keith Collins. Higher corn yields in the coming years will help relieve the pressure on corn, he said. Collins expects expansion to continue to be "explosive," slowing only when the demand by the gasoline industry for the oxygenate that ethanol provides has been fully met.

### **Indy Drivers, Start Your Engines (With Ethanol)**

Andy Karsner, [Department of Energy](#) (DOE), Assistant Secretary for Energy Efficiency and Renewable Energy was in Indianapolis on Thursday, May 24, for the Ethanol Summit hosted by the [Ethanol Promotion and Information Council](#) (EPIC). The Assistant Secretary said the Indianapolis 500 is the perfect platform to showcase ethanol.

### **And NASCAR, Too!**

Indiana [Senator Evan Bayh](#) and South Dakota [Senator John Thune](#) have sent a letter to [NASCAR](#) president Brian France asking NASCAR to consider joining the [Indy Racing League](#) and use U.S. ethanol in its cars. "No one loves this country more than auto racing fans, and NASCAR has a unique opportunity to take a step that will help the environment and help our national security," said Senator Bayh. "We should be looking to the Midwest, not the Mideast, for our fuel. ...if a racecar can hit speeds of 185 miles per hour running on ethanol, then ethanol is good enough for the family minivan, too."

### **Indy Car Drivers Revved Up About Ethanol**

Jeff Simmons, driver of the number 17 [Team Ethanol](#) car at last month's Indianapolis 500, told those attending the [Ethanol Summit](#) that the fuel performance continues to impress him and the other Indy car drivers. "We like to go fast," said Simmons. "And having that better torque and broader power band this year, the guys are lovin' it."

### **Gas, Naturally**

Imagine paying as little as \$1.25 a gallon to run your car. Not for gasoline; instead, you would pump a fuel that's readily available, North American-produced and virtually pollution-free. Many motorists could even fill up in their own garages every night just like they would power-up with one of the gas-electric plug-in hybrids still under development. Now, what if this magical car was available today, and no one cared. Not government officials. Not auto executives. Not consumers. Not even some environmentalists. Therein lies the paradox of the natural-gas powered car.

### **Alternate Alternative Energy**

Alternate Energy Holdings announced on May 17 recent research that indicates its proposed Idaho Energy Complex (IEC) will have the capabilities to generate ethanol for less than \$1.00/gallon, depending on feedstock used. Current ethanol production costs, including a \$0.51 federal credit per gallon, are approximately \$2.00/gallon.

### **Nebraska Biodiesel Boost**

Nebraska Governor Dave Heineman recently signed into law a new tax credit for biodiesel production facilities. The measure provides a tax credit of up to 30% of an investment in a Nebraska biodiesel plant. At the state capital signing ceremony in Lincoln, Gov. Heineman said there is but one biodiesel facility in Nebraska, compared to a dozen ethanol plants. He said he wants Nebraska's biodiesel industry to catch up.

### **Meaty Missouri Biodiesel Byproduct**

A byproduct of biodiesel is being studied by a [University of Missouri](#) researcher as a possible healthy and affordable source of feed for cattle. It's glycerin (or glycerol), which, MU Professor Monty Kerley says, is in ample supply. He's feeding it to 60 calves, checking their growth response and, eventually, meat quality, "We're gonna look at their carcass value to see what effect feeding glycerol, either five, 10 or 20 percent of the diet has on feed efficiency, average daily gain and then quality grade of the carcass."

### **Ethanol Fueling Iowa Farmland Values**

As farmers plant more corn to meet the demand for ethanol, the value of Iowa farmland shot up 16 percent in the past year, the Federal Reserve Bank of Chicago reports in a new quarterly survey of agriculture lenders. The big gain is an indication of how strongly ethanol demand is driving agricultural investment.

-----  
*Around the World*  
-----

### **Down Under Here At Home**

Best Energies, a Madison, Wis.-based biofuel company, has a 12-ton-per-day pyrolysis unit working in Australia as a quarter-scale demo of the technology. The company began selling their 48- and 96-ton biomass-per-day pyrolysis units to the public on January 1, 2007. In some countries carbon credits are a big driver; the units offset a minimum of 9,000 carbon credits on an annual basis for the 48 ton-per-day units. They already have half a dozen clients in the pipeline and other possible leads.

### **Two More Years?**

The industrial production of cellulose ethanol at a competitive cost with gasoline is as close as two years away, Brazilian researchers said last week. "In the laboratory, there are no more obstacles to speak of. We've reached viable solutions to the major problems with cellulosic production," said the bioethanol coordinator for Brazil's Science and Technology Ministry, which allocated \$3.5 million in financing for the project. A prototype plant could be built in about two years, by which time production costs for cellulosic ethanol from leftover sugar cane would probably have fallen even further.

### **Good Day for Canadian Biodiesel**

Two Canadian companies will work together to test the commercial efficacy of a two-stage process for extracting biodiesel from canola and other high oil-content crops. The first stage of oil removal will utilize the Bio-Extraction Inc. (BEC) process which removes approximately 80% of the oil from the biomass. In the second and final stage of oil removal, the patented BioNex Energy Corp. process will remove up to 100% of the remaining oil while at the same time substantially maintaining the protein value originally contained in the biomass.

### **Biofuels For the Poor**

The growing global output of biofuels can help, rather than hurt, the one billion people who live in poverty around the world, said Brazilian vice president Jose Alencar at the opening of a Sao Paulo ethanol conference this week. "By making access to energy more democratic, biofuels offer hope to poor countries seeking to ally economic growth with social inclusion and environmental protection," he said, quoting Brazilian President Luiz Inacio Lula da Silva.

### **Espresso Biodiesel**

Brazilian coffee producers could begin brewing their own biodiesel as early as next year. Studies conducted there suggest that making both biodiesel and ethanol from coffee residues is technically and economically

viable, at least for small-scale use within the country's coffee cooperatives. Coffee beans remain an unlikely choice for mass biodiesel due to its 12 percent oil-to-mass ratio, compared to about 18 percent for soy and 48 percent for castor beans.

*If you have any questions or comments, please reply to POWER Update at [maria.redmond@wisconsin.gov](mailto:maria.redmond@wisconsin.gov).*

---